



**THOMAS L. GARTHWAITE, M.D.**  
Director and Chief Medical Officer

**FRED LEAF**  
Chief Operating Officer

COUNTY OF LOS ANGELES  
DEPARTMENT OF HEALTH SERVICES  
313 N. Figueroa, Los Angeles, CA 90012  
(213) 240-8101

BOARD OF SUPERVISORS

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First District

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Fifth District

March 4, 2004

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF AMENDMENTS FOR DIAGNOSTIC AND  
THERAPEUTIC SERVICES AT HIGH DESERT HEALTH SYSTEM  
(5<sup>th</sup> District) (3 Votes)**

**IT IS RECOMMENDED THAT YOUR BOARD:**

Approve and instruct the Director of Health Services, or his designee, to offer and sign Amendment(s) No. 2 for Diagnostic and Therapeutic Services Agreement, substantially similar to Exhibit I, with the four (4) existing contractors, Antelope Valley MRI, Advanced Imaging Center, Valley Tumor Radiation Medical Group and Lancaster Cardiology Medical Group extending the term of each agreement for an additional three years. The existing agreements are slated to expire March 31, 2004. The total expenditures resulting from all four agreements are estimated to be \$2,031,000 for three (3) years from April 1, 2004 to March 31, 2007. Annual cost is estimated to be \$677,000 per year, net County cost, for all four agreements.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:**

The Department of Health Services (DHS or Department) is recommending this action to ensure the continued availability of diagnostic and therapeutic services to patients of High Desert Health System (HDHS) with four (4) providers located in the Antelope Valley.

The DHS system redesign will not be impacted by diagnostic and therapeutic services provided to HDHS patients in the Antelope Valley.

**FISCAL IMPACT/FINANCING:**

The total expenditures resulting from all four agreements are estimated to be \$2,031,000 for three (3) years from April 1, 2004 to March 31, 2007. Expenditures are estimated to be \$677,000 annually.

Funding for the amendments is included in the Fiscal Year (FY) 2003-04 Adopted Budget and will be requested in future fiscal years.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

Since 1982, HDHS has acquired diagnostic and therapeutic services through agreements with providers in the Antelope Valley area. Approval of these amendments is necessary for the continuance of essential diagnostic and therapeutic services to HDHS patients.

On April 22, 1986, the Board approved the initial agreement with Valley Tumor Radiation Medical Group. On June 30, 1987, the Board approved the initial agreements with Lancaster Cardiology Medical Group and Antelope Valley MRI. On March 11, 1997, the Board approved renewal agreements with Antelope Valley MRI, Lancaster Cardiology Medical Group and Valley Tumor Radiation Medical Group.

Subsequently, the Board approved renewal agreements with the existing providers and a new agreement with Advance Imaging Group on March 30, 1999. On March 20, 2001, the Board approved Amendment(s) No. 1 with the four (4) providers listed in Exhibit B extending the term of the agreements from April 1, 2001 through March 31, 2004.

The Department is recommending approval of Amendment No. 2 to extend the term of the agreements for an additional three (3) years, effective April 1, 2004 through March 31, 2007. Four (4) contractors, Antelope Valley MRI, Advanced Imaging Center, Lancaster Cardiology Medical Group and Valley Tumor Radiation Medical Group are willing to continue providing diagnostic and therapeutic services for HDHS. The agreements will continue to cover both routine and emergency diagnostic and therapeutic services, including ultrasound, nuclear cardiology and mammography studies. Contractors will bill the County for rendered services on a monthly basis at the same rates as in the original agreement.

Amendments No. 2 includes Board mandated provisions including "Notice to Employees regarding Safely Surrendered Baby Law and No Payment for Services Provided Following Expiration/Termination of Agreement".

HDHS administration will continue to monitor the contractors' performance to assure compliance with the terms and conditions of the agreement.

Attachments A and B provide additional information.

County Counsel has approved Amendment No. 2 (Exhibit I) as to form.

CONTRACTING PROCESS:

The County has contracted with interested and qualified providers of diagnostic and therapeutic services in the Antelope Valley. Amendment No. 2 will be used to renew the agreements with the providers listed in Attachment B.

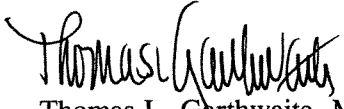
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IMPACT ON CURRENT SERVICES (OR PROJECTS):

Approval of Amendment No. 2 will ensure that diagnostic and therapeutic services are provided to HDHS patients.

When approved, this Department requires three signed copies of the Board's action.

Respectfully submitted,



Thomas L. Garthwaite, M.D.  
Director and Chief Medical Officer

TLG:kke

Attachments

c: Chief Administrative Officer  
County Counsel  
Executive Officer, Board of Supervisors

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SUMMARY OF AGREEMENTS

1. TYPE OF SERVICES:

Contractors are to provide diagnostic and therapeutic services, including ultrasound studies, mammography studies and nuclear cardiology studies.

2. TERM:

The recommended amendments will be effective on April 1, 2004 through March 31, 2007. This agreement may be terminated with or without cause upon 30 days advance written notice.

3. FINANCIAL INFORMATION:

The estimated cost per year from April 1, 2004 through March 31, 2005 is \$677,000 for all four agreements and the same amount for the next two (2) contract years to March 31, 2007. The maximum total cost for three (3) years is \$2,031,000.

4. ACCOUNTABLE FOR MONITORING:

Beryl Brooks, Chief Executive Officer, Desert Health System

5. APPROVALS:

High Desert Health Services: Beryl Brooks, Chief Executive Officer

Contract Administration: Diana Sayler, Interim Chief

County Counsel (approval as to form): Christina Salseda, Deputy County Counsel

DIAGNOSTIC AND THERAPEUTIC SERVICE PROVIDERS

	<u>Providers</u>	<u>Estimated Cost/Year</u>	<u>3 year Estimated Cost</u>
1.	Antelope Valley MRI Contract No. H-210779 437 North 29 <sup>th</sup> Street West Lancaster, California 93534 Attention: Alma Geddes Telephone: (661) 949-8280	\$220,000	\$660,000
2.	Advanced Imaging Center Contract No. H-210775 43731 North 15 <sup>th</sup> Street West, Suite D Lancaster, California 93534 Attention: Ray Hashemi, M.D. Telephone: (661) 949-8111	\$10,000	\$30,000
3.	Valley Tumor Radiation Medical Group Contract No. H-210778 876 West Lancaster Blvd. Lancaster, California 93534 Attention: Darla Manley Telephone: (661) 949-3712	\$237,000	\$711,000
4.	Lancaster Cardiology Medical Group Contract No. H-210777 43847 North Heaton Avenue Lancaster, California 93534 Attention: Martha Son Telephone: (661) 948-3417	\$210,000	\$630,000
	Total	<u>\$677,000</u>	<u>\$2,031,000</u>

**DIAGNOSTIC AND THERAPEUTIC SERVICES AGREEMENT**

**AMENDMENT NO. 2**

THIS AMENDMENT is made and entered into this \_\_\_\_\_ day  
of \_\_\_\_\_, 2004,

by and between COUNTY OF LOS ANGELES (hereafter  
"County"),  
and \_\_\_\_\_  
(hereafter "Contractor").

WHEREAS, reference is made to that certain document entitled "DIAGNOSTIC AND  
THERAPEUTIC SERVICES AGREEMENT", dated March 30, 1999, and further identified  
as County Agreement No. \_\_\_\_\_ and any amendments thereto (all hereafter  
"Agreement"); and

WHEREAS, the Medical Center shall retain professional and administrative  
responsibility for the services provided under this Agreement; and

WHEREAS, said Agreement provides that changes may be made in the form of a  
written amendment which is formally approved and executed by the parties; and

NOW, THEREFORE, the parties hereby agree as follows:

1. This Amendment shall become effective April 1, 2004.
2. During the extended term, Contractor shall be compensated according to the  
same payment provisions and same rate(s) specified in the Agreement, dated March 20, 2001.
3. That Paragraph 1 (Term and Termination), Subparagraph A shall be amended  
to read:

“Term and Termination shall commence on April 1, 1999 and shall remain in full force and effect through March 31, 2007, unless earlier terminated as provided in Paragraph 2.E of the Agreement.”

4. That Paragraph 30 (SAFELY SURRENDERED BABY LAW), shall be added to the Additional Provisions of the Agreement to read as follows:

“30. SAFELY SURRENDERED BABY LAW: Contractor shall notify and provide to its employees residing in or working in the state of California, and shall require each Subcontractor performing work under this Agreement to notify and provide to its employees residing in or working in the state of California, information regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The fact sheet is available on the Internet at [www.babysafela.org](http://www.babysafela.org) for printing purposes.”

5. That Paragraph 31 (CONTRACTOR’S ACKNOWLEDGMENT OF COUNTY’S COMMITMENT TO THE SAFELY SURRENDERED BABY LAW), shall be added to the Additional Provisions of the Agreement to read as follows:

“31. CONTRACTOR’S ACKNOWLEDGMENT OF COUNTY’S  
COMMITMENT TO THE SAFELY SURRENDERED BABY LAW

The Contractor acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. The Contractor understands that it is the County’s policy to encourage all County Contractors to voluntarily post the County’s “Safely Surrendered Baby Law” poster in a prominent position at the Contractor’s place of business. The Contractor will also encourage its Subcontractors, if any, to post this poster in a prominent position in the Subcontractor’s place of business. The County’s Department of Children and Family Services will supply the Contractor with the poster to be used.”

6. That Paragraph 32 (NO PAYMENT FOR SERVICES PROVIDED FOLLOWING EXPIRATION/ TERMINATION OF AGREEMENT), shall be added to the Additional Provisions of the Agreement to read as follows:

“32. NO PAYMENT FOR SERVICES PROVIDED FOLLOWING EXPIRATION/ TERMINATION OF AGREEMENT: Contractor shall have no claim against County for payment of any money or reimbursement, of any kind whatsoever, for any service provided by Contractor after the expiration or other termination of this Contract. Should Contractor receive any such payment it shall immediately notify County and shall immediately repay all such funds to County. Payment by County for services rendered after expiration or termination of this Agreement shall not constitute a waiver of County’s right to recover such payment from Contractor. This provision shall survive the expiration or other termination of this Agreement.”

7. Except for the changes set forth hereinabove, Agreement shall not be changed in any respect by this Amendment.

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Amendment to be subscribed by its

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Director of Health Services and Contractor has caused this Amendment to be subscribed in its behalf by its duly authorized officers, the day, month, and year first above written.

COUNTY OF LOS ANGELES

By \_\_\_\_\_  
Thomas L. Garthwaite, M.D.  
Director and Chief Medical Officer

\_\_\_\_\_  
Contractor

By \_\_\_\_\_

\_\_\_\_\_  
Printed Name

Title \_\_\_\_\_  
(AFFIX CORPORATE SEAL)

APPROVED AS TO FORM:

LLOYD W. PELLMAN  
County Counsel

By \_\_\_\_\_  
Deputy

APPROVED AS TO CONTRACT  
ADMINISTRATION:

Department of Health Services

By \_\_\_\_\_  
Contracts Administration

Kke\HDHS-CD3174  
Thursday, March 04, 2004